

# Memorandum

Date : October 13, 2005  
Telephone: (916) 654-5100

To : Dockets

File:

From : California Energy Commission -  
1516 Ninth Street  
Sacramento, CA 95814-5512

  
Roger Johnson

Subject : Four comment letters to the Governor regarding Sempra's Granite Fox Project

**Please docket the attached four letters in the 04-IEP-1k docket. The letters were sent to Governor Schwarzenegger expressing concern about Sempra Energy's plans to build the coal-fired Granite Fox project near Gerlach, Nevada for sale of electricity to California.**

<b>DOCKET</b>	
<b>04-IEP-1K</b>	
<b>DATE</b>	OCT 13 2005
<b>RECD.</b>	OCT 13 2005

June 19, 2005

State Capitol Building  
Sacramento, CA 95814

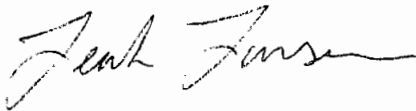
Dear Governor Schwarzenegger,

Please do not agree to buy energy from the Sempra coal fired energy plant proposed in Gerlach, Nevada. Sempra has chosen to place the plant just over the northeastern California border because it can not meet the California emission regulations, yet it plans on selling the power to southern California. It would be very hypocritical of California to set high standards in our state, but purchase a product produced elsewhere that does not meet these standards.

I feel fortunate to live in this state because of its high environmental standards. Unfortunately, polluted air and water do not follow political boundaries and this plant in northern Nevada will have detrimental effects on our rural communities in northeast California. It will emit dangerous pollutants into our pristine air and suck 14.2 million gallons a day of water out of the ground.

I understand the need for more energy with our growing population. I urge you to support renewable energy sources as an alternative to coal fired energy. If Sempra does not have a buyer, they will not have a motive for this plant. Please help save our northern California environment by rejecting Sempra's offer. Thank you.

Sincerely,

A handwritten signature in black ink, appearing to read "Leah Larsen". The signature is fluid and cursive, with a long horizontal stroke at the end.

Leah Larsen  
465-775 Leone Lane  
Janesville, CA 96114

## William R. Butler & Peggie L. Butler

---

P.O. Box 606 ~ Janesville, CA. 96114  
Phone (530) 253-4152 ~ Fax (530) 253-3667  
Home Phone (530) 253-3667 ~ Email: thebutlers@psln.com

June 20, 2005

Governor Arnold Schwarzenegger  
Office of the Governor  
State Capital  
Sacramento, CA. 95814

Attn: James

**Re: Loss of 650 jobs and approximately \$3 billion in development/construction for the 1.5 billion watt power plant in permit stage, Nevada/California border**

Dear Arnold,

Your message is very clear regarding job and business loss to the State of California due to elements that chase business out of California. There exists a major example of this pending loss in the Sempra/Granite Fox 1.5 billion watt power plant in the permitting stage in Gerlach, Nevada.

This plant proposes to primarily use coal from the Utah area to power the plant with a small portion of geothermal preheat utilization. The produced power is intended to be marketed in California. Sempra is a San Diego based power company. The plant will employ 650 workers upon its completion with a cost of approximately \$3 billion dollars to complete.

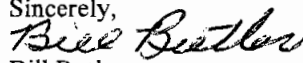
The western states and the federal government desire to utilize renewable resources in the generation of power. A singular 1.5 billion watt plant satisfies the appetite for electrical energy in our region and prohibits the development of renewable resource as the appetite for electrical energy would be satisfied by this 1.5 billion watt fossilized fuel plant. California is blessed with numerous geothermal fields. I own one of those fields in Wendel, California. Sempra chose, for permitting reasons, not to attempt to build this plant in California. However, California will through its consumption of electricity, pay for the plant.

Sadly, since the power plant is located close to the California border and is located in Nevada, the ground water effects, pollution and economic impact greatly effects California and its residents without any of the economic benefits realized to the economy of California other than supplying California with electricity that is primarily created by coal fuel generation. If such a plant is constructed on the border of California, why couldn't this plant be in California, if such a plant is permissible?

Another major concern is that a singular 1.5 billion watt power plant would be more susceptible to a terrorist attack. Even if only one of its transmission towers were destroyed, it would totally devastate the area supplied by this centralized plant. Multiple power plants of this type in the geothermal fields known to exist of a smaller size would be far less susceptible to terrorist disturbance and it would be, in my opinion, near to impossible to interrupt power generation at multiple locations.

Recently, I submitted letters to the lead agency for permitting this proposed power plant, which is the BLM in Winnemucca, Nevada, Fred Holzel. I have attached those letters for information purposes.

Thank you for your review and concern for our great State of California.

Sincerely,  
  
Bill Butler

## William R. Butler & Peggie L. Butler

---

P.O. Box 606 ~ Janesville, CA. 96114  
Phone (530) 253-4152 ~ Fax (530) 253-3667  
Home Phone (530) 253-3667 ~ Email: thebutlers@psln.com

June 16, 2005

Fred Holzel  
Bureau of Land Management - Winnemucca Office  
5100 East Winnemucca Boulevard  
Winnemucca, Nevada 89445

Re: Sempra Power Plant, Gerlach, Nevada - Public Comment Input

Dear Fred,

This letter is being sent pursuant to our telephone conversation today regarding the utilization of a land block that I own in fee title in Wendel, Lassen County, California. This property is geographically located 18 miles east of Susanville, California in Lassen County. This property is separated from the proposed Gerlach site by the Skeddale Mountain Range. This alternate site is available and contains existing infrastructure and resources that do not require the use of public lands. This site was announced to Sempra and Granite Fox several months ago and to my knowledge has not been disclosed to you or BLM.

As addressed in my telephone communication to you, my property contains a 350 megawatt geothermal field, ranging in temperature from 250 to 350 Fahrenheit. This known geothermal resource area is recognized by federal and state agencies. I have developed 20,000 gpm fresh water on the subject property with artesian flow of bottled water quality. The property is zoned for geothermal power plants. There exists adjacent to the subject property a hybrid plant that uses geothermal resource from our property for preheat with wood burn for its primary power source. The property is serviced by Union Pacific Railroad with existing sidings on our property for utilization of outgoing material and incoming coal. All transmission lines are on my property that can be utilized now up to 700 megawatts with additional modifications to those lines to permit 1.5 billion watt output. The power lines are 60kv to the Feather River grid, 345 kV to the Reno area grid, and 37 kV to the Herlong/Plumas grid. Also on this property is a known 20 megawatt wind farm site that can also be used to augment a hybrid plant that utilizes fossilized fuel (coal or natural gas) with geothermal preheat and wind energy input. Also on my property there is a known natural gas field of 100 billion cubic feet and an additional field of 300 million feet. This gas has been tested and is 995 BTU's with no H2S. Additionally, the Tuscarora gas line, 20 inch main, traverses through my property. I have purchased an in and out tap on this gas line of unlimited volume. As you are aware, Duke Energy upgraded this line several years ago to 1200 psi to accommodate a 500 megawatt plant in Tracy, Nevada. This power plant was not built as they could not secure the required cooling water. Paved highway is completely around my subject property and through my property. The property contains 400 million tons of basalt rock that has a LA rattler of 3 and 14 and is innocuous to concrete deterioration.

Additionally, the property contains 10 million ton of alluvial material and 100 million ton of Monterey sand. All the materials have been tested with the premise that rock, sand and gravels would be shipped to Utah and the Bay area in California with Coal brought into a geothermal hybrid plant and wood waste from urban cities to the existing HL Power Plant. I also have installed and shut in a 100 barrel well on my property. I am currently permitted for 14 geothermal or hydrocarbon wells on my property and the zoning allows for geothermal or hybrid power plants. All the infrastructure exists now on my property along with resources that can be shipped out and bring back required fuels. A natural gas power plant can be built on my property with geothermal and wind energy input as well as a coal fired hybrid plant.

Regarding the premise of a coal fired geothermal preheat plant on my property, several years ago I completed a design study for such a plant. On a confidential basis I sent this to an individual in Nevada which I understand from communication with Sempra executives, Sempra was contacted by that individual and addressed building such a plant in Gerlach, Nevada on his property. I understand that his property was not eventually chosen, and another site was selected in Gerlach. It is also my understanding that water, railroad, power lines and all infrastructure will be required to be brought to that site. In the alternate, my property has all infrastructure existing as well as fossilized fuels on site, 300 megawatt geothermal field, oil field, gas field, gas main, gas tap, 20,000 fresh water, railroad siding and main line and rock, sand and gravels to ship out to offset freight rates coming in.

Several months ago, I became aware of the Sempra project and requested an onsite visit announcing to Sempra of the infrastructure on my property and the resources. Marty Swarts, project engineer of Sempra and Chris Collins of Granite Fox Consulting met with me and reviewed the property and its resources. They stated that they could not change now because they have chosen Gerlach and they needed to proceed with that project and did not know of my property prior to my announcement. I questioned them why would they continue to build a power plant where everything has to be brought into it while in the alternate everything existed on my property. They stated that they felt permitting in Nevada would be easier than California. Although it is noted that they are a California, San Diego based company.

As you are aware, the BLM as a lead agency must review alternate sites that have less disturbance. It makes no sense to disturb public land when there is an alternate site known to Sempra that is now being ignored as they do not desire to change their plans. Sempra will not return my calls, nor will Chris Collins. I have called in excess of 20 times to both Mary Swarts and Chris Collins and they refuse to address this alternate site. It is my understanding that you have not been informed about this alternate site that does not disturb public land and all infrastructure is in place along with resources that are not at the Gerlach site. The right-of-way for the Tuscarora Gas line that is existing that traverses through my property is available for use. The Sierra Pacific right-of-way of the 345 kV line that traverses through my property is available for use. The 60 kV line and right-of-way that traverses through my property is available for use. HL Power, at my request has purchased the 20 miles of railroad that goes to the Flanigan junction for the intended use of hauling rock, sand and gravel from my property and bringing wood material into their power plant. This can be utilized for bringing coal in if that is desired.

This letter has been submitted to you pursuant to the public comment period via e-mail, fax and express mail within the public comment time period, which you stated continued through June 22, 2005. One thing is very clear, Sempra has not informed you or the BLM of an alternate

site and it appears that Semptra and Granite Fox does not wish to notify the BLM of an alternate site, which is required, and is silent in that regard. As you are aware, Burning Man, the Pyramid Lake ground water, the Lassen County water issue and other issues are of a concern. As you are aware, the burn of natural gas, instead of coal, does not have the mercury emission issue and is cleaner burning. If coal is desired to be burnt, natural gas could be burnt along with the coal to reduce undesirable emissions. Sometimes economics override common sense and disregard for public land use and effects to the environment. I heard on the radio yesterday that San Francisco requested that Los Angeles not buy any power from the Gerlach facility. All these issues, I feel, would not be an issue if the Wendel property is properly reviewed as an alternate site.

My contact information is listed above on my letterhead. As stated, I am sending you the Wendel project report that lists the amenities, infrastructure and resources of my property. I have spent that last 12 years developing and identifying the resources on my property and adjacent property that I own. My Geologist, Scott Hector, both a geothermal and oil and gas geologist, has completed an evaluation of the listed resources as consultant firms have completed an evaluation of the rock, sand and gravel resources. Drilling and testing of the resources of rock, sand and gravel, geothermal, oil and gas, have been completed. I look forward to your response and request for additional information.

I hereby request that you notify me of any public hearings regarding the Semptra project in order that I am allowed to publicly comment.

Thank you,

*Bill Butler* 6-16-2005

Bill Butler

William R. Butler & Peggine L. Butler

---

P.O. Box 606 ~ Janesville, CA. 96114  
Phone (530) 253-4152 ~ Fax (530) 253-3667  
Home Phone (530) 253-3667 ~ Email: thebutlers@psln.com

June 18, 2005

Fred Holzel  
Bureau of Land Management - Winnemucca Office  
5100 East Winnemucca Boulevard  
Winnemucca, Nevada 89446

Re: Sempra Power Plant, Gerlach, Nevada - Public Comment Input

Dear Fred,

This letter is being sent pursuant to the public comment input period allowed. As you stated all submittals must be postmarked by June 22, 2005. This letter is being e-mailed, faxed and expressed mailed today to meet the deadline.

As the lead agency, I understand that all aspects of the proposed Gerlach 1.5 billion watt power plant must be reviewed and considered. I offer the following obvious considerations that must be reviewed. First of all, I believe that a company or corporation desiring to build and construct a project possibly paints a picture that is desirable to their objectives. Noted, Granite Fox, the consultant firm working with Sempra lists a number of their executives as the same individuals in Sempra. As you are aware, there have been recent projects other than Sempra/Granite Fox that have presented information during the permitting period that has later been found to be inaccurate. Looking at the project on an investment level, bigger is always better. However, centralizing not a mega power plant but I guess you could call it a "bega" power plant, focuses all the impact in a centralized area for water, air, pollution and economic dominance in the electrical generation business. Senator Reid is recognized for his continued efforts in what is known as "Geopowering the West" with a 25% within 20 years of alternate energy input to the power requirements of the Western States. As you also are aware, Nevada is rich in geothermal resources. I have attached a map that illustrates some of the developed and developing resources in Nevada. I also own a geothermal field near the Nevada border that I have been seeking to develop. I am sure you have heard the phrase "the pie is only so big", and I acknowledge that some may have a hunger to either take all the pie or a more than generous slice. What I am trying to communicate here is common sense. If a 1.5 billion watt plant is constructed primarily using coal, or fossilized fuel of another type, it will consume the appetite for electrical power generation inhibiting the development of renewable resources, i.e., geothermal, wind, solar, etc. The United States is blessed with an abundance of coal. During the second world war, technology was available and utilized to convert coal to liquid fuels of diesel and gasoline by the German war machine. With the current price of crude, with no end in sight regarding elevated prices, coal can now be converted to liquid fuels to power our mobile vehicles. This I believe should be the emphasis for coal utilization. Hydrogen cars and hydrogen power plants are also a

definite option. In the transition state to hydrogen cars, coal can provide the liquid fuel to power the existing vehicles.

Most power plants coming on line are in the 5 to 100 megawatt class. The proposed plant would be one of the largest if not the largest plant in the U.S. Permitting of this proposed plant, I understand is following its normal course and those requirements are generally used for the smaller class power plants. However, there are safeguards in place and I believe that those safeguards must address the magnitude of this plant and require non-associated evaluation of the impact of this plant regarding the economics to the electrical industry as a whole, the impact to the coal reserves existing, the limiting of multiple power plants over a large area that are less subseptable to terrorists power interruption (for example: 100 power plants would be near to impossible to take off line once the dependency has been relied upon for a centralized "bega" power plant), ground water coning and draw with reverse flow characteristics, ground water pollution, air pollution, the elimination of the window of opportunity for alternate energy production and utilization. If you take away the appetite for electrical energy, no one will hunger to develop alternate electrical renewable resource energy. Listed below are some of the considerations that should be reviewed. A fast track approach on allowing this plant to be constructed should not be permitted. Once this plant is constructed and operational, it will have to be lived with, not only on an environmental level, but an economic, resource and limiting factor to alternate energy (renewable resource). I recognize that a small portion of the power generation from this facility is geothermal utilization, however, multiple smaller plants of this type spread out in the entire geothermal fields that exist and the wind and solar generation sites would utilize, I believe, a "bega" input of alternate energy. This my not be the fast dollar approach of a quick monetary return for someone capable of going into the billion watt business, however, it is better for our environment and society as a whole.

1. A centralized power plant in a 1.5 billion watt generation range focuses all impact regarding water, air, pollution and electrical dominance to one company, one site, disallowing diversification and utilization of renewable resource electrical generation.

2. Because of the size of this proposed generation facility, there must be long term effects studied by federal and state agencies. Since the proposed power plant is at the border of California and permitting is being done in Nevada, both states must study the impact of this plant on a state level and not rely on studies supplied by consultant firms that are associated with the builder/developer.

3. It must be recognized that the 1.5 billion watt "bega" plant should address the impact to the developing renewable resource electrical generation power plants with input from those in that industry including the input of the consumer where the proposed power is to be sold to. Many individuals using electricity do not understand its generation and the options available to us. A fast track issuing of a permit that is non-reversible, is not prudent.

4. It would seem desirable to utilize existing corridors of transmission lines instead of continuing to develop new corridors. The proposed DC line in excess of 1 million volts may be desirable economically, as I understand, the threshold of 700 megawatts gives way to using DC instead of AC power production. This power than is converted to AC at distribution points. I see nothing wrong with parallel power lines in existing corridors.



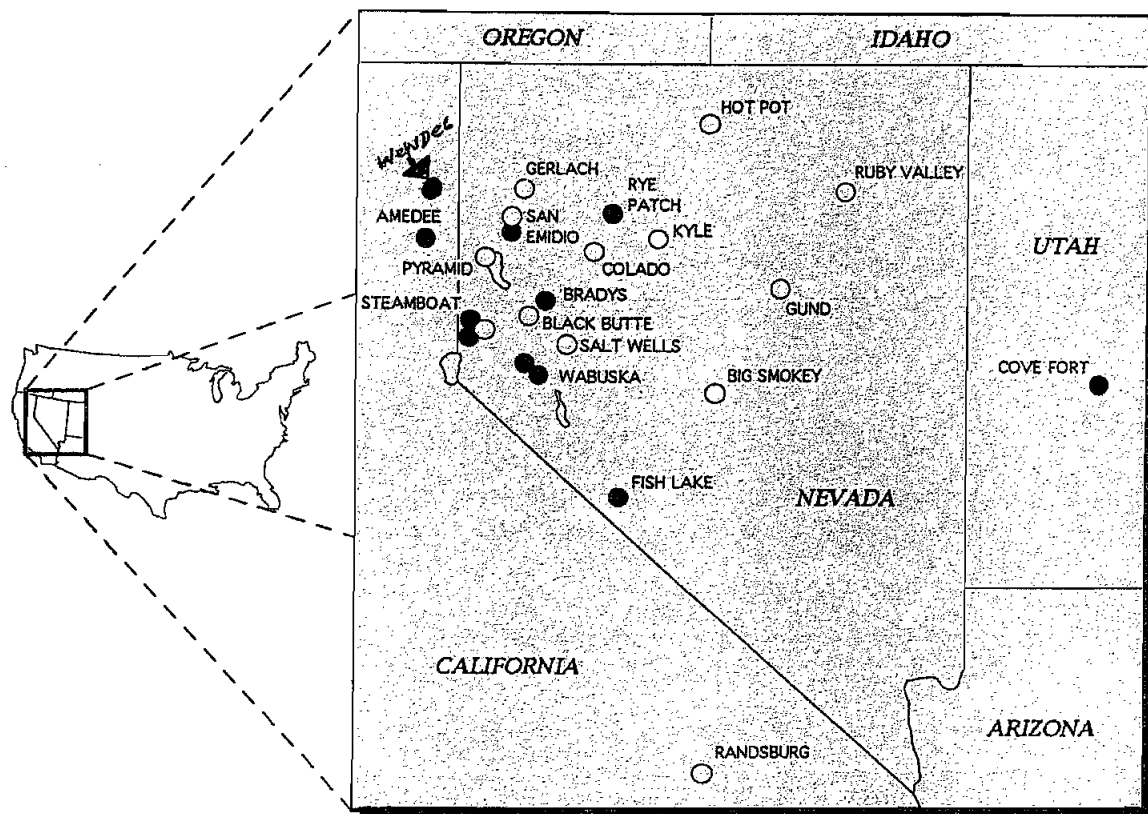
In summary, I request that a total review without exception, be made on the proposed project with studies required by the appropriate federal agencies with impacts addressed to any and all governing federal and state agencies participating in that study both California and Nevada having involvement.

This letter has not been sent to stop the project, however, due to its magnitude, the study and evaluation prior to permitting must be equal to its proportionate size and impact that will be realized.

Thank you,

*Bill Butler*

Bill Butler



## Power Project Experience

Geothermal Development Associates played a significant role in the development of each of the following projects in one or more of the following areas: feasibility analysis, resource development, engineering, and/or permitting.

### **Completed Projects - U.S. ●**

Brady Hot Springs, Nevada - 28 MW Dual-Flash  
 Rye Patch, Nevada - 12.5 MW Binary  
 Fish Lake Valley, Nevada - 16 MW Dual-Flash  
 Cove Fort, Utah - 8.5 MW Dry Steam  
 Steamboat, Nevada - 8.0 MW Binary  
 Steamboat, Nevada - 12.5 MW Single-Flash  
 San Emidio Desert, Nevada - 3.6 MW Binary  
 Wabuska, Nevada - 650 kW and 850 kW Binary  
 Amedee, California - 1.6 MW Binary

### **Foreign Projects**

Kamojang, Java, Indonesia - 250 kW Non-Condensing  
 Dieng, Java, Indonesia - 2.0 MW Non-Condensing  
 Maibarara, Manila, Philippines - 11.0 MW Single-Flash

### **Studies & Assessments ○**

Black Butte, Fernley, Nevada - 20 MW Binary  
 Gerlach, Nevada - 30 MW Dual-Flash  
 Steamboat, Nevada - 8.4 MW Binary  
 Pyramid Lake, Nevada - 2.5 MW and 5.0 MW Binary  
 San Emidio Desert, Nevada - 6.0 MW and 24 MW Binary  
 Big Smokey Valley, Nevada - 6.0 MW Binary  
 Salt Wells, Nevada - 10 MW Binary  
 Gund Research and Demonstration Ranch, NV - 100 kW and 500 kW Binary  
 Colorado, Nevada - 2.5-20 MW Binary  
 Hot Pot, Nevada - 10-20 MW Binary  
 Kyle, Nevada - 20 MW Binary  
 Ruby Valley, Nevada - 2.5-20 MW Single-Flash  
 Randsburg KGRA, California - Dual-Flash

EPA

Michael & Lindee Larsen  
465-775 Leone Lane  
Janesville, CA 96114

Governor Schwarzenegger  
State Capitol Building  
Sacramento, CA 95814

August 6, 2005

Dear Governor Schwarzenegger,

My wife and I are residents of Janesville, California and part-time residents of Fort Bidwell in Surprise Valley. We are strongly opposed to the Granite Fox Coal Fired Power Plant that is proposed within eighty air miles of these communities. We are extremely concerned about the negative environmental impacts that this plant would necessitate.

A healthy environment has always been an important factor in the decisions that we have made in life. We chose to raise our family in northeastern California because of the pristine air, clean water, unobstructed views, and modest industrial environmental impact. We have recently purchased land in Fort Bidwell for similar reasons, and because of its geographical location, north of the proposed plant, we are highly concerned about a change in air quality due to prevailing winds from the south. Specifically, we are concerned about a reduction in visibility and high concentrations of air pollutants. We are aware that the plant will be required to meet E.P.A. standards, but any reduction in the current air quality in Surprise Valley is unacceptable. This area has some of the most pristine air in the United States. There is no justifiable reason to jeopardize our clean air, especially when there are renewable energy alternatives to coal-fired energy.

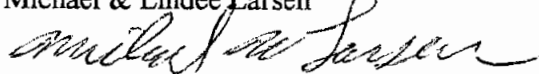
There are abundant undeveloped renewable energy resources in this region such as sun, wind, and geothermal. These clean and safe alternatives would supplement the growing energy needs of our country without jeopardizing our fragile environment. If the 1450-megawatt coal-fired plant is approved, the power transmission lines, used to transport this electricity, will be near capacity, therefore leaving a minimal amount for renewable resource energy to be transported on these lines, which would be a travesty.

We are urging our representatives, supervisors, and all other political persons who may have a say in this decision to vote no on this project. A plant of this proportion could and most likely would, according to the Nevada Clean Air Coalition, draw down the water table, make the skies hazy, pollute our air, and would have the potential to leach extreme levels of toxic chemicals from the landfill of ash.

How far are the E.P.A. and the elected officials going to let this go? Our environment will continue to suffer if this type of project is approved. We need to unite with a no vote on any project that is not environmentally responsible. Please do not allow Semptra to build this plant and jeopardize this pristine area of the United States.

Respectfully,

  
Michael & Lindee Larsen



Dean Bland  
Emilia Bland  
578 Sutton Way, PMB 163  
Grass Valley, CA 95945-9309

Governor Arnold Schwarzenegger  
State Capitol Building  
Sacramento, CA 95814

RE: Promote renewable energy and stop promoting dirty power

Dear Governor Schwarzenegger,

CBC

We strongly urge you to immediately stop California from moving to secure more electric power from dirty and dangerous coal-fired power plants and instead act to ensure that California's new electric energy sources come from safe and sustainable renewable energy.

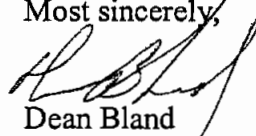
Current California law requires one-fifth of California's electric energy to come from renewable sources in just 12 years, and you have said you want to achieve this goal even sooner. However, with a real opportunity to receive renewable wind and geothermal energy from Nevada, you have continued to propose major new imports of dirty coal power from Wyoming and Nevada. Although you claim that this new energy will actually be "renewable," in reality nearly all of it is polluting coal-produced energy, with only a small fraction based on wind power.

When Californians turn on a light switch using dirty coal-produced energy, people in other states suffer the negative health effects of air pollution, and the entire world suffers from global warming. Perhaps most disturbingly, coal plants spew hundreds of thousands of lethal mercury each year. Mercury is a powerful neurotoxin already so widespread that it threatens one in six women of child-bearing age.

Sempra Generation has plans to build a coal-fired power plant in Northern Nevada and sell the electricity to California. The plant would pollute the region, pour more deadly mercury into the environment, increase global warming, and kill development of Nevada's renewable resources by taking the remaining available capacity on existing transmission lines that could otherwise be used to carry renewable energy to market.

Please tell Sempra that California will NOT buy electricity from a new coal-fired plant, and instead demand that they develop sources of truly renewable, non-polluting energy that will rapidly allow America's most populous and influential state to meet and exceed the required goal of one-fifth of electric energy sources coming from safe and sustainable renewable energy within a decade.

Most sincerely,

  
Dean Bland

  
Emilia Bland